

Senate Bill No. 619

Passed the Senate August 27, 1998

Secretary of the Senate

Passed the Assembly August 25, 1998

Chief Clerk of the Assembly

This bill was received by the Governor this ____ day
of _____, 1998, at ____ o'clock __M.

Private Secretary of the Governor

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CHAPTER ____

An act to amend Section 10856 of the Revenue and Taxation Code, and to amend Sections 4456 and 9553 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 619, Peace. Vehicles: fees and penalties.

Existing law requires a vehicle dealer or lessor-retailer, when selling a used vehicle, to use numbered report-of-sale forms issued by the Department of Motor Vehicles and, among other things, to submit to the department an application accompanied by all fees and penalties due for registration or transfer of registration of the vehicle within 30 days from the date of sale.

Existing law also specifies that when renewal fee penalties have not accrued with respect to a vehicle and the vehicle is transferred, the transferee has 20 days from the date of the transfer to pay the registration fees that become due without payment of penalties that would otherwise be required.

This bill would specify that the above described 30-day period, and not the 20-day period, applies with respect to a vehicle dealer or lessor-retailer when submitting fees and any penalties due for registration or transfer of registration of a used vehicle.

The bill would incorporate additional changes in Section 9553 of the Vehicle Code proposed by SB 2067, to become operative only if both bills are enacted and become operative on or before January 1, 1999, and this bill is enacted last.

The people of the State of California do enact as follows:

SECTION 1. Section 10856 of the Revenue and Taxation Code is amended to read:

10856. (a) Except as provided in Section 9553 of the Vehicle Code, upon receipt of the application for renewal of registration, the department shall collect the required



fee for the current registration year. No penalty shall be imposed if the department receives the application prior to or on the date the vehicle is first operated, moved, or left standing upon any highway during its current registration year and the applicant has timely filed, pursuant to subdivision (a) of Section 4604 of the Vehicle Code, a certification that the vehicle will not be operated, moved, or left standing upon any highway during the current registration year without first making an application for registration of the vehicle, including full payment of fees.

(b) If an application for renewal of registration is accompanied by an application for transfer of title, that application may be made without incurring a penalty for delinquent payment of fees not later than 20 days after the date the vehicle is first operated, moved, or left standing on any highway if a certification pursuant to subdivision (a) of Section 4604 of the Vehicle Code was timely filed with the department.

(c) Upon receipt of an application for original registration, the department shall collect the required fee for the current registration year. No penalty shall be imposed if the department receives the application and fee within 20 days after the fee becomes due.

SEC. 2. Section 4456 of the Vehicle Code is amended to read:

4456. (a) When selling a vehicle, dealers and lessor-retailers shall use numbered report-of-sale forms issued by the department. The forms shall be used in accordance with the following terms and conditions:

(1) The dealer or lessor-retailer shall attach for display a copy of the report of sale on the vehicle before the vehicle is delivered to the purchaser.

(2) The dealer or lessor-retailer shall submit to the department an application accompanied by all fees and penalties due for registration or transfer of registration of the vehicle within 30 days from the date of sale, as provided in subdivision (c) of Section 9553, if the vehicle is a used vehicle, and 20 days if the vehicle is a new vehicle. Penalties due for noncompliance with this



paragraph shall be paid by the dealer or lessor-retailer. The dealer or lessor-retailer shall not charge the purchaser for the penalties.

(3) As part of an application to transfer registration of a used vehicle, the dealer or lessor-retailer shall include all of the following information on the certificate of title, application for a duplicate certificate of title, or form prescribed by the department:

(A) Date of sale and report of sale number.

(B) Purchaser's name and address.

(C) Dealer's name, address, number, and signature or signature of authorized agent.

(D) Salesperson number.

(4) If the department returns an application and the application was first received by the department within 30 days of the date of sale of the vehicle if the vehicle is a used vehicle, and 20 days if the vehicle is a new vehicle, the dealer or lessor-retailer shall submit a corrected application to the department within 50 days from the date of sale of the vehicle if the vehicle is a used vehicle, and 40 days if the vehicle is a new vehicle, or within 30 days from the date that the application is first returned by the department if the vehicle is a used vehicle, and 20 days if the vehicle is a new vehicle, whichever is later.

(5) If the department returns an application and the application was first received by the department more than 30 days from the date of sale of the vehicle if the vehicle is a used vehicle, and 20 days if the vehicle is a new vehicle, the dealer or lessor-retailer shall submit a corrected application to the department within 50 days from the date of sale of the vehicle if the vehicle is a used vehicle, and 40 days if the vehicle is a new vehicle.

(6) An application first received by the department more than 50 days from the date of sale of the vehicle if the vehicle is a used vehicle, and 40 days if the vehicle is a new vehicle, is subject to the penalties specified in subdivisions (a) and (b) of Section 4456.1.

(7) The dealer or lessor-retailer shall report the sale pursuant to Section 5901.



(b) (1) A transfer that takes place through a dealer conducting a wholesale motor vehicle auction shall be reported to the department by that dealer on a single form approved by the department. The completed form shall contain, at a minimum, all of the following information:

(A) The name and address of the seller.

(B) The seller's dealer number, if applicable.

(C) The date of delivery to the dealer conducting the auction.

(D) The actual mileage of the vehicle as indicated by the vehicle's odometer at the time of delivery to the dealer conducting the auction.

(E) The name, address, and occupational license number of the dealer conducting the auction.

(F) The name, address, and occupational license number of the buyer.

(G) The signature of the dealer conducting the auction.

(2) Submission of the completed form specified in paragraph (1) to the department shall fully satisfy the requirements of subdivision (a) and subdivision (a) of Section 5901 with respect to the dealer selling at auction and the dealer conducting the auction.

(3) The single form required by this subdivision does not relieve a dealer of any obligation or responsibility that is required by any other provision of law.

(c) A vehicle displaying a copy of the report of sale may be operated without license plates or registration card until either of the following, whichever occurs first:

(1) The license plates and registration card are received by the purchaser.

(2) A six-month period, commencing with the date of sale of the vehicle, has expired.

SEC. 3. Section 9553 of the Vehicle Code is amended to read:

9553. (a) A penalty shall be added upon any application for renewal of registration or any application for renewal of special license plates made after midnight of the expiration date of the registration or special plates,

except as provided in Section 4604 or 9706, or in subdivision (b).

(b) Except as provided in subdivision (c), when renewal fee penalties have not accrued with respect to a vehicle and the vehicle is transferred, the transferee has 20 days from the date of the transfer to pay the registration fees which become due without payment of any penalties that otherwise would be required under subdivision (a) or to file a certification pursuant to subdivision (a) of Section 4604 if the vehicle will not be operated, moved, or left standing upon any highway during the subsequent registration year without first making application for registration of the vehicle, including full payment of all fees.

(c) (1) A dealer or lessor-retailer submitting an application for registration or transfer of a used vehicle shall have 30 days from the date of sale to submit the fees, without the penalty that otherwise would be required under subdivision (a).

(2) This subdivision does not apply to penalties due or accrued prior to the date of sale by the dealer or lessor-retailer.

(d) If the fee specified in Sections 9255 and 9257 is not paid within 20 days after it becomes delinquent, a penalty shall be added thereto.

SEC. 4. Section 9553 of the Vehicle Code is amended to read:

9553. (a) A penalty shall be added upon any application for renewal of registration or any application for renewal of special license plates made after midnight of the expiration date of the registration or special plates, except as provided in Section 4604 or 9706, or in subdivision (b).

(b) Except as provided in subdivision (c), when renewal fee penalties have not accrued with respect to a vehicle and the vehicle is transferred, the transferee has 20 days from the date of the transfer to pay the registration fees which become due without payment of any penalties that otherwise would be required under subdivision (a) or to file a certification pursuant to



subdivision (a) of Section 4604 if the vehicle will not be operated, moved, or left standing upon any highway during the subsequent registration year without first making application for registration of the vehicle, including full payment of all fees.

(c) (1) A dealer or lessor-retailer submitting an application for registration or transfer of a used vehicle shall have 30 days from the date of sale to submit the fees, without the penalty that otherwise would be required under subdivision (a).

(2) This subdivision does not apply to penalties due or accrued prior to the date of sale by the dealer or lessor-retailer.

(d) If the fee specified in Sections 9255 and 9257 is not paid within 20 days after it becomes delinquent, a penalty shall be added thereto.

(e) In addition to the imposition of monetary fines or fees as specified in this section, delinquent registration may result in impoundment of the vehicle pursuant to Section 22651.

SEC. 5. Section 4 of this bill incorporates amendments to Section 9553 of the Vehicle Code proposed by both this bill and Senate Bill 2067. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 1999, (2) each bill amends Section 9553 of the Vehicle Code, and (3) this bill is enacted after Senate Bill 2067, in which case Section 3 of this bill shall not become operative.



Approved _____, 1998

Governor

